

DCI/RM 79-1786

19 September 1979

MEMORANDUM FOR: Distribution

FROM:

Director, Program and Budget Office

SUBJECT: FY 1981 Budget Review

STAT

As usual, the budget review period will be driven by the necessity to submit the DCI's Consolidated NFIP Budget to the President by 15 November. To ensure successful accomplishment of this task, the following administrative procedures have been established:

Schedule Attachment 1 contains a detailed work plan for October and November. Particular attention is drawn to the deadlines for first draft issue papers--16 October, and coordination draft issue papers--22 October. These dates must be met if is to have sufficient time to review the papers and Program Managers' comments are to be solicited prior to distribution to NFIB members on 26 October. A more detailed schedule of issue paper deadlines will be developed as the issues are identified.

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Budget Hearings Schedules for budget hearings have been established and distributed by Program Monitors. (They are not included with this package in order to minimize classification and distribution problems. Additional copies of the hearing schedules are readily available upon request.) Individuals directly concerned with the topic of a particular hearing are urged to arrange attendance through the appropriate Program Monitor.

Budget Scrubs At Attachment 2 is a revised format of the Budget Decision Document (BDD) we plan to use for decisions on budget scrubs and for ex-post recording of decisions on issue papers. To ensure data control and an appropriate audit of all changes to budget submissions, Program Monitors will be responsible for development of all BDDs including the translation of all DCI decisions on issues into appropriations changes.

All portions of this memorandum
are UNCLASSIFIED

SUBJECT: FY 1981 Budget Review

Issue Paper Formats The DCI has expressed a desire for shorter, more summary issue papers. At Attachment 3 is a standard format to be used for all issues which we believe reflects both the DCI's views and the ideas offered by Craig Sherbrooke. This format will be discussed further on Friday. Program Monitors will have primary responsibility for development of issue papers with support of concerned analysts from PAO, PGO and IRO as well as the OMB examiners. Extensive analyses or studies will be attached, with a summary of their results included in the Analysis Section of the issue paper. We have agreed to include appropriate members of OMB in the drafting of issue papers in keeping with the joint nature of the process.

The Budget Document It is anticipated that the budget will again consist of a forwarding letter from the DCI to the President and a document containing special analyses, appropriate financial schedules, and the 1-N list.

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3 Attachments:

- 1 - Work Plan for Oct. & Nov
- 2 - BDD Format
- 3 - Issue Format

	1		3	4	5	6
	8	9 Last CCP hearing	10 Last GDIP & CIAP hearing	11	12	13
4	15 Last issuance of scrubs	16 Last date of 1st draft issue papers	17	18	19 Final appeals of scrubs due	20
21	22 Final decisions on scrub appeals Coordination draft deadline	23	24	25 Final draft issue papers	26 (1) Initial strawman ranking (2) circulate issue papers	27
3	29	30	31 NFIB			

TOP SECRET

				1		2		3
					← PRC →			
4		5	6 DCI Tentative Decisions	7	8	9		10
	← PRC →							
11	12 DCI Final decisions	13	14	15 Budget to President	16			17
18	19	20	21	22	23			24
25	26	27	28	29	30			

PROGRAM/COMPONENT

BD NO. _____

DECISION UNIT TITLE:

DU DESIGNATOR/PACKAGE LEVEL/RANK:

ALTERNATIVES:

- Alt. 1
- Alt. 2
- Alt. 3

	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
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Proposed Budget:

Alternative 1:

Alternative 2:

Alternative 3:

RATIONALE:

DECISION:

Proposed Budget _____
Alternative 1 _____
Alternative 2 _____
Alternative 3 _____

Date _____

ISSUE PAPER FORMAT

STATEMENT OF ISSUE:

BACKGROUND:

- Historical perspective
- Substantive objective of activity at issue
- Reason for issue

DESCRIPTION OF ALTERNATIVES:

- Programmatic or budgetary description
- Cost streams (five years)

ANALYSIS:

- Intelligence value variations
- Environmental considerations (e.g., countermeasures, technological change/uncertainty, host country policies, US policies or priorities)
- Cost benefit analysis

CONCLUSIONS:

RECOMMENDATIONS:

}
}
} On a separate sheet of paper

- Notes:
- 1) 2-3 page limit.
 - 2) Extended background or analysis should be included as an attachment and results summarized in body of issue paper.
 - 3) Attach pertinent studies, e.g., ELINT Mix, Clandestine Communications Plan, etc.

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- 1 - C/AS
- 1 - PTO/CT
- 1 - STO/CT
- 1 - HTO/CT
- 1 - TAO/CT
- 1 - Ea. PBO Prog. Monitor
- 1 - PBO Subject
- 1 - PBO chrono
- 1 - RM Registry
- 1 - CT Registry

ISSUE PAPER CONTENTS

Issue

A brief statement of the issue, one sentence long.

Reason for Issue

A short explanation of why this is an issue. If more than one reason for the issue exists, they may be delineated by the use of separate bullets for easy readability. The most important reason for the issue should appear first. Some candidate reasons include:

- o Submission inconsistent with guidance
- o Adverse impacts on other programs
- o Duplications of effort
- o Changes in the intelligence environment suggesting program alterations, acceleration, or possible cutoff
- o Congressional or other bureaucratic interests
- o Large investment or multi-year resource implications
- o High priority item unlikely to be funded or funded at insufficient levels
- o Low priority item likely to be funded at the expense of higher priority items

Value of the Activity

- o A short explanation of what the overall activity (not the specific part at issue) contributes to U.S. intelligence needs and efforts
- o Identification of primary users
- o Identification of potential external events which could increase or decrease the value of the activity

Objectives of the Alternatives

In this section the benefits to be obtained from the alternatives should be presented in detail. If the issue is an enhanced capability, then it is appropriate to address the increased quantity, quality, security, reliability, and/or timeliness. If the issue is the acceleration or deceleration of an approved enhancement, then the objectives should deal with the timing rather than the enhancement itself.

Description of Alternatives

The program and five-year budget implications of several viable alternatives for satisfying the objectives should be delineated. A full range of programmatic and/or budgetary options and not just the several decision packages of a decision unit.

Analysis

As even handedly as possible, the alternatives should be carefully analyzed in terms of cost-effectiveness, program impact, intelligence value, and relationship to guidance. The participants (except RM Staff) favoring each alternative should be identified with their reasons.

Conclusion

This section should not be attached until after the Program Managers and OMB have had the chance to review the issue paper.

The RM Staff should select an alternative and justify its selection. In addition, the RM Staff may recommend that the DCI seek further details or information from the Program Managers.

Recommendation

The recommended alternative: 1, 2.....

(The issue paper should be not more than 2-3 pages long. The name of the author(s) and date should be included.)